

ENDORSEMENT NO. HO-802  
Effective  
January 1, 2016

SECTION I – MANDATORY MEDIATION-ARBITRATION  
ENDORSEMENT

This endorsement changes certain subparts to **SECTION I – CONDITIONS** in your policy. This endorsement also deletes any reference to **SECTION I – CONDITIONS, Subpart 12. Suit Against Us** in endorsement **HO-800 Time Limitations on Presenting a Claim and Conditions for a Suit Against Us Endorsement**. Please read this document carefully and keep it with your policy.

**SECTION I – CONDITIONS**

Subpart 12. is deleted and replaced by the following:

12. **Suit Against Us.** For a reduction in premium, the insured, and all persons making a claim of any kind under this policy of insurance, agree to the following terms as the exclusive process for resolving any dispute between you and us, arising from, through or by this policy:

If any part of your suit against us is based on a disagreement between you and us as to the value of your claim under this policy, you must first request and participate in the appraisal process set forth in this policy or endorsements thereto.

If any dispute still exists following the conclusion of the appraisal process, the parties agree to first try and settle the dispute by mediation. The mediation will take place under the "Ethical Guidelines for Mediators" adopted by the Texas Supreme Court. The Company shall pay the reasonable costs of the mediation, including the mediator's fee. The mediator will be provided by Conflict Solutions of Texas ("CSOT"). The mediation can occur at any agreed location.

If the parties cannot reach an agreement through mediation, then they further agree that their dispute shall be settled by arbitration.

The arbitration will be managed by CSOT under the Federal Arbitration Act, and judgment on the award issued by the arbitrator may be entered in any court having jurisdiction. Either party may provide notice of arbitration to the other and start an arbitration proceeding by contacting CSOT at:

Conflict Solutions of Texas  
6223 IH 10 West  
San Antonio, TX 78201  
Attn: "Property Claim Resolution"

Or by email at: [gbrin@csoftx.com](mailto:gbrin@csoftx.com). Subject line: Property Claim Resolution

Claims shall be heard by a single arbitrator. CSOT will appoint the arbitrator with the information received, and provide notice to you and us of the appointment. **We** will pay the arbitration expenses billed by CSOT.

The arbitrator shall be experienced in insurance claims. The arbitration will occur in the city with a population of at least 100,000 closest to where the insured property is located, unless the parties can agree to another location.

Discovery shall be limited to the sharing of certain documents. Those documents are expert reports, engineering reports, damage estimates, contents lists, photographs, repair receipts or invoices, the contents of our claim file and any independent adjusting firm's claim file that are not privileged by law, payment logs or proof of payment by us, a copy of the insurance policy, and the contents of the underwriting file that are not privileged. Upon request, the arbitrator can expand discovery if necessary.

Unless required by law, neither party nor the arbitrator may disclose the results of any arbitration without the agreement of both parties.

If you refuse to participate in the arbitration, we will proceed without you, and an arbitration award will be made by the arbitrator.

Should the arbitrator find that any term of this endorsement is unenforceable; the remaining terms of the endorsement shall remain in force. You and we agree that the arbitrator is authorized to modify any aspect of this endorsement found to be unenforceable in such a way as to express the meaning of the endorsement that you and we intended.